

## **TAX CERTIFICATE**

### **MEMORANDUM OF INSTRUCTIONS REGARDING USE OF PROCEEDS AND ARBITRAGE COMPLIANCE**

To: Governor of the State of West Virginia  
West Virginia State Treasurer  
West Virginia Commissioner of Highways

Date: June 7, 2018

Re: \$167,600,000 State of West Virginia General Obligation State Road Bonds,  
Series 2018 A  
\$632,400,000 State of West Virginia General Obligation State Road Bonds,  
Series 2018 B

This Memorandum of Instructions Regarding Use of Proceeds and Arbitrage Compliance (the "Memorandum") has been prepared in connection with the issuance of the \$167,600,000 State of West Virginia General Obligation State Road Bonds, Series 2018 A (the "Series A Bonds") and the \$632,400,000 State of West Virginia General Obligation State Road Bonds, Series 2018 B (the "Series B Bonds" and together with the Series A Bonds, the "Bonds"), which were issued June 7, 2018 (the "Bonds Closing Date") by the State of West Virginia (the "Issuer"), under and pursuant to the Roads to Prosperity Amendment of 2017 (Article VI, Section 52 of the West Virginia Constitution), Senate Concurrent Resolution No. 301, and Chapter 17, Article 26A of the Code of West Virginia, 1931, as amended (collectively, the "Act"), an executive order of the Governor of the State of West Virginia dated May 22, 2018, designated Executive Order No. 11-18 ("Order 11-18"), and an executive order of the Governor of the State of West Virginia dated May 23, 2018, designated Executive Order No. 12-18 ("Order 12-18", and together with Order 11-18, the "Executive Orders") for the purpose of providing moneys which will be used to match available federal funds for highway and bridge construction in the State of West Virginia and for general highway and secondary roads and bridge construction in the State of West Virginia (the "Projects"). The Projects are listed on Exhibit A attached to the No-Arbitrage Certificate. Costs of issuance associated with the Bonds are being paid from separate funds of the Issuer held in the Roads to Prosperity Bond Debt Service Fund, appropriated by the West Virginia Legislature for such purpose, and are not being paid from Proceeds of the Bonds.

By execution of this Memorandum, the Issuer agrees not to take any actions that would cause the interest on the Bonds to become includable in gross income for federal income tax purposes. The Issuer has also certified to certain facts, current expectations and future actions in the Certificate, attached hereto, under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the "No-Arbitrage Certificate"), relating to current and future investments and expenditures of the Proceeds of the Bonds. The Issuer must not use the Proceeds of the

# EXHIBIT A

State Project Number	Project Name	Project Description	R/W	Construction				Total	Construction Contract Bid Date	Construction Completion Date
				Construction	Construction E&C	DB Eng Cost				
U302- 81/ - 7.75 SEC 00	I-81 Widening	Widen I-81 MP 8 to MP 12		\$ 46,902,655.00	\$ 6,097,345.00	\$	\$	\$ 53,000,000.00	9/28/2018	10/28/2021
U306- 64/ - 18.00 SEC 00	I-64 Widening - Barboursville to East Mall Road O.P. Bridge	Construct 2 miles of additional lane in both directions for an 8-lane section between I/Cs		\$ 76,000,000.00	\$ 9,880,000.00	\$	\$ 6,840,000.00	\$ 92,720,000.00	12/28/2018	10/28/2021
U321- 79/ - 99.00 SEC 00	I-79 Exp '99 Interchange	Rebuild SB Exit and install lighting		\$ 20,353,982.00	\$ 2,646,018.00		\$	\$ 23,000,000.00	7/28/2018	9/30/2020
U331- 119/ - 16.00 SEC 03	U.S. 119	Mileground - Cheat Rd - Deanna Ave (existing roundabout to Airport) - widen		\$ 13,274,336.00	\$ 1,725,664.00		\$	\$ 15,000,000.00	9/28/2018	6/28/2020
S335- 70/ - 0.01 SEC 00	I-70 Bridge Rehabilitation/ Renovation	Major rehab and replace		\$ 158,256,881.00	\$ 14,243,119.00		\$	\$ 172,500,000.00	7/28/2018	10/28/2021
U340- 35/ - 19.01 SEC 03	U.S. 35 Paving and Interchange	Pave 14 miles of U.S. 35 currently under a grade and drain project including a new I/C near Buffalo Bridge		\$ 82,424,779.00	\$ 10,715,221.00		\$	\$ 93,140,000.00	9/28/2018	11/30/2021
U340- 64/ - 41.37 SEC 00	I-64 Widening	Widen I-64 from U.S. 35 to Nitro including new bridge across Kanawha River		\$ 174,311,927.00	\$ 15,688,073.00		\$	\$ 190,000,000.00	10/28/2018	10/28/2021
U341- 77/ - 40.30 SEC 00	I-77/I-64 Widening at Beckley	Widen I-77/I-64 from MP 40.3 to MP 47.6		\$ 90,000,000.00	\$ 11,700,000.00		\$	\$ 101,700,000.00	7/28/2018	8/28/2021
X342- H/ - 40.21 SEC 04	Corridor H - U.S. 219 Connector to WV 72 I/C	Acquire r/w and construct 4 lane Corridor H	\$ 6,500,000.00	\$ 160,000,000.00	\$ 20,800,000.00	\$	\$ 14,400,000.00	\$ 201,700,000.00	11/28/2018	10/28/2021
X355- 121/ - 16.65 SEC 04	Coalfields Expressway Paving	Pave Coalfields Expressway grade and drain project		\$ 41,592,920.00	\$ 5,407,080.00		\$	\$ 47,000,000.00	9/28/2018	10/28/2020
								\$ 985,760,000.00		